

COUNTY OF SAN DIEGO

NEWS RELEASE

FOR IMMEDIATE RELEASE March 29, 2006

COUNTY WON'T JEOPARDIZE U.S. ATTORNEY'S ASBESTOS CLEANUP CRIMINAL CASE AGAINST SDG&E, DROPS CIVIL SUIT

To avoid any negative impact to the U.S. Attorney's criminal charges against San Diego Gas & Electric and others for the mishandling of asbestos, the County of San Diego is voluntarily withdrawing its civil action in State Superior Court. These actions were filed in connection with the defendants' removal of underground pipe containing asbestos materials in a 16-acre site in Lemon Grove.

The County's action sought civil penalties, alleging that defendants violated laws and regulations relating to the removal, storage and disposal of asbestos-containing materials during the decommissioning of SDG&E's former Encanto Gas Holder Station in 2000.

In January 2006, the U.S. Attorney brought a related criminal action based on many of the same facts included in the County's civil case. The U.S. Attorney requested the state court to stay the civil action because Sempra's ability to obtain information from witnesses in the civil case would prejudice the criminal prosecution. The Superior Court denied the U.S. Attorney's request to stay the civil action.

While the County is confident that it would have prevailed in its civil action, the County strongly believes that the criminal case is the most appropriate manner to hold the defendants accountable for their alleged asbestos violations. Therefore, the County is withdrawing its civil action to avoid any possible prejudice to the criminal case.

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